

MARY ANN SMITH  
Deputy Commissioner  
SEAN ROONEY  
Assistant Chief Counsel  
UCHE L. ENENWALI (State Bar No. 235832)  
Senior Counsel  
Department of Business Oversight  
320 West 4<sup>th</sup> Street, Suite 750  
Los Angeles, California 90013-2344  
Telephone: (213) 576-7586  
Facsimile: (213) 576-7181

Attorneys for Complainant

BEFORE THE DEPARTMENT OF BUSINESS OVERSIGHT  
OF THE STATE OF CALIFORNIA

|                                   |   |                                 |
|-----------------------------------|---|---------------------------------|
| In the Matter of:                 | ) |                                 |
|                                   | ) | ESCROW LICENSE NO.: 96DBO-41815 |
| THE COMMISSIONER OF BUSINESS      | ) |                                 |
| OVERSIGHT,                        | ) | ACCUSATION TO REVOKE ESCROW     |
|                                   | ) | AGENT'S LICENSE                 |
| Complainant,                      | ) |                                 |
| v.                                | ) |                                 |
|                                   | ) |                                 |
| BEAR FLAG ESCROW, INC., formerly, | ) |                                 |
| MMREM ESCROW, INC.,               | ) |                                 |
|                                   | ) |                                 |
| Respondent.                       | ) |                                 |

The Complainant, the Commissioner of Business Oversight (Commissioner), is informed and believes and based upon such information and belief, alleges and charges as follows:

I.

Introduction

1. Bear Flag Escrow, Inc., formerly, Mmrem Escrow, Inc. (Bear Flag) is an escrow agent licensed by the Commissioner pursuant to the Escrow Law of the State of California (Financial Code section 17000 et seq.) (Escrow Law). Bear Flag has its principal place of business located at 1199 S. Belt Line Road, Suite 105, Coppell, Texas.

2. Bear Flag is a Delaware corporation incorporated on July 3, 2014. At all relevant times herein, Bear Flag conducted business under its former name Mmrem Escrow Inc. On June 28, 2016, Bear Flag changed its name from Mmrem Escrow Inc., to its current name, Bear Flag Escrow, Inc.

3. The Commissioner licenses and regulates the activities of escrow agents. Pursuant to Financial Code section 17207 (e) (1), each escrow agent is required to pay to the Commissioner an annual license fee not to exceed \$2,800.00 for each office or location.

4. On May 30, 2017, the Commissioner's staff sent Bear Flag by regular mail, an invoice with the invoice number ES0073, notifying it that its annual assessment in the amount of \$2,800.00 would be due June 30, 2017. The invoice indicated that a 10% penalty would be assessed per month or partial month for the overdue assessment until the payment was received. To date, the Commissioner has not received Bear Flag's annual assessment of \$2,800.00.

## II.

### Applicable Law

5. Financial Code section 17207 provides in relevant part:

The commissioner shall charge and collect the following fees and assessments:

....

(e) (1) Each escrow agent shall pay to the commissioner for the support of this division for the ensuing year an annual license fee not to exceed two thousand eight hundred dollars (\$2,800) for each office or location.

(2) On or before May 30 in each year, the commissioner shall notify each escrow agent by mail of the amount of the annual license fee levied against it, and that the payment of the invoice is payable by the escrow agent within 30 days after receipt of notification by the commissioner.

(3) If payment is not made within 30 days, the commissioner may assess and collect a penalty, in addition to the annual license fee, of 10 percent of the fee for each month or part of a month that the payment is delayed or withheld.

(4) If an escrow agent fails to pay the amount due on or before the June 30 following the day upon which payment is due, the commissioner may by order summarily suspend or revoke the certificate issued to the company.

6. Financial Code section 17608 provides in pertinent part:

The commissioner may, after notice and a reasonable opportunity to be heard, suspend or revoke any license if he finds that:

...

(b) The licensee has violated any provision of this division or any rule made by the commissioner under and within the authority of this division.

### III.

#### Conclusion

The Commissioner finds that, by reason of the foregoing, Bear Flag Escrow, Inc., has violated Financial Code section 17207 subdivision (e) (1) by failing to pay its annual assessment for December 2016. Based thereon, grounds exist to revoke the escrow agent's license of Bear Flag Escrow, Inc.

WHEREFORE, IT IS PRAYED that the escrow agent license of Bear Flag Escrow, Inc. be revoked pursuant to Financial Code section 17608.

Dated: November 20, 2017

JAN LYNN OWEN

Commissioner of Business Oversight

By \_\_\_\_\_

UCHE ENENWALI

Senior Counsel

Enforcement Division